

Meeting Summary
Single Family Vacation Rentals on Kauai Meeting Series

Meeting 3 – Concentrating on Next Steps
Monday, May 23, 2005, 4:00 p.m. – 7:00 p.m.
War Memorial Convention Hall Ballroom
4191 Hardy Street

Stakeholder Group: Louie Abrams, Hilary Chandler, Ian Costa, Caren Diamond, Linda Faye Collins, David Helela, Lucy Kawaihalau, Cheryl Lovell Obatake, Koral McCarthy, Bruce Pleas, Barbara Robeson, Gary Smith, Leah Sausen, Joann Watanabe and Council Member JoAnn Yukimura

Facilitation Team: Jen Graf and Elizabeth Kent

Welcome

Elizabeth Kent, the facilitator, opened the meeting by sharing some observations and assumptions about the meeting. She noted it would be unlikely that the meeting would end with an ordinance having been drafted, or even that the Stakeholder Group would come to consensus on all the elements of a draft ordinance -- there simply was not enough time. After reflecting on the last meeting, she believed that the meeting could best move forward if the committee agreed to some common assumptions, including

- Separating the affordable housing issue from the discussion of vacation rentals,
- Recognizing that the past cannot be changed and to focus on the future and what was best for Kauai,
- Recognizing that “community” and “community balance” are shared values, but people probably have different perceptions about what is ideal, and
- Using a multi-faceted approach in decision-making.

The Stakeholder Group agreed with these assumptions.

Stakeholder Group Discussion of Strategies

- The Stakeholder Group agreed that the unchecked opening of vacation rentals on the island is a problem.
- The Stakeholder group agreed that existing legitimate single-family vacation rentals outside of VDAs should be grand fathered (methods for grand fathering yet to be determined).
- The group agreed that amending the County Zoning Ordinance (CZO) should be focus.
- Some stakeholders thought consideration should be given to allowing a “concentration percentage” in communities and imposing a moratorium on opening new units.

- The Stakeholder Group agreed that some regulation (at least registration) is needed. Distinctions need to be considered between
 - Vacation rentals in and outside of Vacation Destination Areas (VDA),
 - Existing vacation rentals and new units,
 - New owners and existing owners, and
 - Off-island owners and resident owners.

Attendees' Input

Attendees shared the following thoughts:

- Cannot get back the old community – that time has passed
- Vacation rentals may have unintended consequence on the lack of affordable housing; cutting back on vacation rentals would not necessarily mean that there would be more affordable rentals since many of the houses that are rented are not “affordable”
- Grand fathering should not be allowed
- New zoning laws are needed
- Need proper planning to avoid problems such as the one we are in now
- Planners with their own interests should excuse themselves
- Zoning could and should be enforced to eliminate or cut down on illegal uses
- “Do no harm” to the island should be the philosophy that is followed
- Revenue from vacation rental units trickles down to all businesses and the entire island, and this positive aspect of vacation rentals needs to be considered
- Kauai has a delicate and fragile economy- we need to be careful when making decision and take this into consideration
- Small family businesses (such as vacation rentals and the businesses that support vacation rentals) support those who live here
- The character of the communities outside of the VDAs is changing; the island “feeds” us all and takes care of us, and we need to ask ourselves why we live here
- The community has changed -- 75% of some areas are now vacation rentals ; residential areas should be residential
- Vacation rentals have entered into communities
- There are not many long term rentals available anymore on the North Shore
- Follow through on this process is important
- The Constitutional rights of existing owners are at stake and must be taken into consideration
- Balance can be achieved – we need to strive for it!
- Vacation rentals are part of the Hawaiian culture
- Discrimination against off-island owners is wrong
- We need help with affordable housing -- Kalepa (?) Village as a good example of a project where affordable housing units were available
- Need to consider incentives (e.g., property taxes and level of taxation) to move forward; enforcement also needs to be addressed
- Need to consider families who have been here for years
- In support of continuing vacation rentals
- Need affordable housing

- Need incentives
- Need support for long term rentals
- Vacation rentals provide opportunities to make a living
- If a distinction is made between new units and existing units, what are those excluded to do?
- Reasons for VDAs should be looked at
- Able to be charitable with housing (and to provide a unit as a long term rental) because of can rent another unit as a vacation rental
- Aloha we portray allows us to continue to living here
- Not here to discriminate against non-locals
- Problem started in the 1980s due to lack of planning and attention
- What is the present law regarding vacation rentals?
- Let's not rush the process
- Communities are made up of people and they need to be for the people-- future communities are important -- balance is important
- Would like to hand down small business (related to vacation rentals) to sons
- Vacation rentals promote small businesses; need incentives for long term rentals

Stakeholder Group Discussion

The group discussed holding another meeting to address more substantive issues, and acknowledged that it was not able to address all the issues during this three-hour meeting. Group members had a vigorous discussion about whether holding another meeting would be fruitful and noted that some obstacles to meeting again include cost, time considerations (consultant report timeline), and fear that there would be no concrete accomplishments. The group could not agree to hold another meeting, and the decision was that notification would come in the future if another meeting were to be held.

Bruce, Joanne, Louie, Koral, Leah, Barbara, Linda, Caren and Lucy volunteered to draft a report as a result of this process.

Next Steps/Closing

The Design Group will meet to discuss how to best move forward in hope that at least one more meeting would be approved.